DE RUEHTV #0654/01 0781437 ZNY SSSSS ZZH O 191437Z MAR 09 FM AMEMBASSY TEL AVIV TO RUEHC/SECSTATE WASHDC IMMEDIATE 1038 INFO RUEHAD/AMEMBASSY ABU DHABI PRIORITY 5175 RUEHAM/AMEMBASSY AMMAN PRIORITY 5680 RUEHGB/AMEMBASSY BAGHDAD PRIORITY 0150 RUEHEG/AMEMBASSY CAIRO PRIORITY 3724 RUEHDO/AMEMBASSY DOHA PRIORITY 0904 RUEHKU/AMEMBASSY KUWAIT PRIORITY 0651 RUEHMK/AMEMBASSY MANAMA PRIORITY 0930 RUEHMS/AMEMBASSY MUSCAT PRIORITY 0001 RUEHRH/AMEMBASSY RIYADH PRIORITY 2225 RUEHJM/AMCONSUL JERUSALEM PRIORITY 1690 RHEHNSC/NSC WASHDC PRIORITY

S E C R E T TEL AVIV 000654

SIPDIS

E.O. 12958: DECL: 03/19/2019
TAGS: PREL PTER PGOV KWBG IR IS
SUBJECT: ISRAEL'S RELATIONS WITH THE GULF STATES FOCUS ON
IRAN, PERCEPTION OF ISRAELI INFLUENCE IN WASHINGTON

REF: TEL AVIV 605

Classified By: DCM Luis G. Moreno, Reason 1.4 (b) (d)

- (S) Summary. MFA Deputy Director General for the Middle East Yacov Hadas provided PolCouns March 16 with an overview of Israel's relations with several of the Gulf states. Hadas described Israel's relations with the Gulf as a function of the Gulf Arabs' fear of Iran, but also as due to the Arabs' belief in Israeli influence in Washington. Fleshing out some of the points he had made earlier to NEA Acting A/S Feltman (reftel), Hadas described Qatar's shift toward the radical camp in the region as a "game" linked to Qatari rivalry with Saudi Arabia. Hadas believes Qatar is feeling pressure from Israel, Egypt and the Saudis, adding that he has been invited to visit Doha for talks about how to resume normal Qatari-Israeli ties. Hadas noted that while the Omanis are generally correct in their dealings with Israel, they appear not to recognize the seriousness of the threat from Iran. said that while the UAE is increasingly hostile to Iran, it remains unclear how far they are willing to go in terms of increasing financial pressures on Tehran. Hadas said the Gulf Arabs feel that the U.S. does not listen to them and therefore sometimes try to pass messages through Israel. While he agreed that progress on the Palestinian track would make it easier for the Gulf states to be open about their ties to Israel, he cautioned that the Gulf states use the peace process as an "excuse not to take action" against Iran or in support of the PA. End Summary.
- (C) PolCouns called on Deputy Director General for the Middle East Yacov Hadas March 16 to follow up on Hadas' March 4 discussion with Acting A/S Feltman of Israeli-Gulf relations. Beginning with Qatar, Hadas said there were signs that various pressures on the Qataris were starting to have an effect. Hadas noted that Qatar could only get its humanitarian relief supplies into Gaza through Israel. Qatari diplomats assigned to their Gaza consulate also had to cross through Israel since Egypt would not allow them to enter Gaza from Rafah. For now, the Israelis are not allowing either Qatari assistance or personnel to cross into Gaza. Hadas noted that he had been invited to visit Doha to discuss reopening the Israeli trade office, which he saw as a positive sign. He added that the Qataris needed to understand that they could not expect to restore cooperative relations with Israel without agreeing to reopen the trade office.
- $\P 3$. (S) While Hadas was critical of the Qataris' treatment of

Israel since the Gaza operation, he stressed that he thought Qatar's policies were not a matter of a shift in ideology toward the radical camp, but linked to their rivalry with the Saudis and, by extension, with Egypt. In private settings, Hadas noted that the Qatari leadership harbored "no illusions" about Iran. Prince Hamad had told the Israelis in October 2006 that he believed Iran was determined to develop a nuclear bomb no matter the cost. According to Hadas, Hamad complained at the time that he felt the U.S. would not listen to him and tended to believe what it heard from Iran.

- 14. (S) Hadas reiterated the point he had made to Feltman regarding Oman, calling the Omanis the "most problematic" of the Gulf states in terms of their view of Iran. With regard to Omani contacts with Israel, Hadas said they were "correct," but the Omanis never fulfilled their commitment to open an Israeli office in Muscat. He said Oman has "its own definition" of what poses a threat to the Gulf, partly due to Oman's geographical location. He did not think Oman would be willing to join the rest of the GCC against Iran.
- 15. (S) Hadas agreed that the UAE was increasingly hostile to Iran, but there remained a question as to how far they were prepared to go. The UAE has extensive trade and financial relations with Iran, including money laundering, and it was unclear whether they were ready to use these relations as leverage. Foreign Minister Sheikh Abdallah has developed good personal relations with Foreign Minister Livni, but the Emiratis are "not ready to do publicly what they say in private." (Note: It was clear from Hadas' remarks that Israel's channel to Saudi Arabia does not run through the Foreign Ministry.)
- 16. (S) Hadas said the Gulf Arabs believe in Israel's role because of their perception of Israel's close relationship with the U.S. but also due to their sense that they can count on Israel against Iran. "They believe Israel can work magic," Hadas commented. When considering a trilateral U.S.-Israel-GCC partnership, Hadas suggested we bear in mind that Iran's nuclear program is the primary source of concern to the U.S. and Israel, while the Gulf Arabs also worry about Iran for a host of historic and sectarian reasons.
- ¶7. (C) PolCouns noted that Arabs say that progress on the Palestinian track would make it easier for them to publicly engage Israel. Hadas countered that while peace with the Palestinians is an Israeli interest and important in its own right, it should not be the sum total of Israel's relations with the Arab World. Arab League Secretary General Amre Moussa had invented the "never-ending hurdle race" in which Israel could never do enough to deserve a positive response. The Israeli-Palestinian track should not serve as an excuse for the Gulf to avoid action, whether against Iran or through practical steps to support the Palestinian Authority.

CUNNINGHAM